

CHAPTER 21

MATERIEL OBLIGATION VALIDATION

21.1. General.

21.1.1. This chapter outlines the Materiel Obligation Validation (MOV) procedures used by the Item Manager Wholesale Requisition Process (IMWRP) D035A subsystem to implement requirements in DoD Manual 4000.25-1, *Military Standard Requisitioning and Issue Procedures*. These procedures are applicable to requirements requisitioned by AF activities, AF repair and production contractors, other services and security assistance (SA) program grant aid activities. All Foreign Military Sales (FMS) customer requirements are excluded from the MOV process. The purpose of MOV is to validate the user's continuing need for overage requisitioned requirements and to reconcile D035A's backorders with the due-in records of the requisitioning activity.

21.1.2. This part of AFMAN 23-110 does not apply to Air Force Reserve Command or the Air National Guard.

21.1.3. These procedures apply to the wholesale materiel management community. No deviation from these procedures is authorized without written approval of HQ AFMC/LGSM. This chapter was last reviewed December 2004.

21.1.4. These procedures consist essentially of three separate and distinct functions as follows:

21.1.4.1. Step 1 is to prepare the MOV requests. These requests are generated on a quarterly/bi-annual basis for those overage backorders which meet certain age, priority, backorder status, and type of customer criteria.

21.1.4.2. Step 2 is to receive and process the MOV responses, to cancel materiel obligations if the customer so indicates, and to cancel materiel obligations (SA program grant aid excluded) if the customer fails to respond by the reply due date.

21.1.4.3. Step 3 is to prepare the MOV effectiveness reports.

21.1.5. Requisitioning activities will participate in the program as identified herein:

21.1.5.1. Air Force retail activities with DoD Activity Address Codes (DODAAC) beginning with F are included.

21.1.5.2. Air Force repair and production contractors with DODAACs beginning with EZ and EY are included.

21.1.5.3. Grant aid customers are included. The DODAAC will begin with B, D, K, P, or T and supplemental address begins with a Y.

21.1.5.4. Other service DODAACs are included.

21.1.5.5. Numeric DODAACs customers are excluded.

21.1.5.6. Any BV or BZ coded backorder with a matching 4A controlled exception is excluded because the prior cancellation action is pending.

21.1.6. The capability exists to exclude from the MOV program backorders with a specific project code, federal supply group/federal supply class, DoDAAC, or supplemental address. If a customer is unable to participate in the MOV program, they are required to notify HQ AFMC/LGSM to request

exclusion. HQ AFMC/LGSM will maintain this information via the D035A IUTW screen to ensure that MOV requests transactions are not generated for customers who are authorized exclusion.

21.1.7. Refer to AFMAN 23-110, volume 1, part 1, chapter 23, for all applicable formats.

21.2. Preparation of Validation Requests.

21.2.1. Requests for MOV (document identifiers AN_) will be prepared by D035A for each backorder meeting the prescribed criteria.

21.2.2. The MOV request preparation dates and reply due dates for any non-grant aid backorders are as follows:

Table 21.1. Preparation Cycle, Part 1.

Cycle	Preparation Date	Reply Due Date
1	20 Jan	5 Mar
2	20 Apr	5 Jun
3	20 Jul	5 Sep
4	20 Oct	5 Dec

21.2.3. The MOV request preparation dates and reply due dates for grant aid backorders are as follows:

Table 21.2. Preparation Cycle, Part 2.

Cycle	Preparation Date	Reply Due Date
1	20 Jan	5 Mar
3	20 Jul	5 Sep

21.2.4. The age criteria prescribed for selection of backorders to validate are as follows:

21.2.4.1. Priority designator 01-08 backorders that are at least 30 days old based on date requisition was received in D035A. An exception to this rule is for DODAACs that begin with R or V which indicates a ship, the backorder is excluded from the MOV program.

21.2.4.2. Priority designator 09-15 backorders that are at least 75 days old based on date requisition was received in D035A (including R and V backorders).

21.2.5. Creation and transmission of validation request transactions.

21.2.5.1. During each MOV cycle, D035A will scan the backorder files for backorders which meet the MOV criteria. D035A then generates the appropriate AN1, AN2, AN3, or AN5 transaction for all backorders that meet the MOV criteria.

21.2.5.1.1. The appropriate type of AN_ transaction is determined by the media and status (M&S) code and by the distribution code. The response due date will be entered in record positions (rp) 75-77 of the AN_ transaction.

21.2.5.1.1.1. An AN1 will be generated for backorders that contain a M&S code that indicates the document number DoDAAC organization desires status. An AN1 will also be generated if the M&S code is zero and the distribution code is blank or invalid.

21.2.5.1.1.2. An AN2 will be generated for backorders that contain a M&S code other than zero where the document number DoDAAC does not desire status.

21.2.5.1.1.3. An AN3 will be generated for backorders that contain a M&S code of zero and the backorder contains a valid distribution code.

21.2.5.1.1.4. An AN5 will be generated for AF grant aid backorders.

21.2.5.2. D035A sorts these records according to customer DODAAC and then groups them together in files which contain no more than 493 transactions. D035A then inserts a header record, a control record (AN9 transaction), and a trailer record for each file. The AN9 record indicates the total number of AN_ transactions contained in each file and the response due date (rp 46-49). When two or more batches are sent to the same activity, distinct batch control numbers (rp 7-10) will be entered in the AN9 record. Separate batch control numbers will be established for each cycle and records will be maintained by batch control number to permit follow-up, as necessary, when customer receipt of a particular batch is not acknowledged.

21.2.5.3. D035A will transmit AN_ records to the Intersite Gateway (M024B) system which forwards the information to the DoD Automatic Addressing System (DAAS), without the header and trailer records, with no more than 494 MOV AN_ records included in a single message. This quantity will include 1 to 493 AN_ records and one AN9 MOV control record. A separate MOV control record will be prepared and transmitted with each separate batch of from 1 to 493 AN_ records.

21.3. Acknowledgment of Receipt of Validation Requests. If the customer does not receive the total number of request transactions indicated in the MOV control record, they will generate an APX to D035A. This notifies D035A to re-transmit this particular batch identical to the original transmittal under the AN9 control number. If the customer receives all of the transactions, they will generate an AP9 to D035A. Through the D035A MOV screen, the capability exists for the D035A OPR to generate the APX or AP9 transactions for any customer who cannot generate the necessary transaction.

21.4. Follow-Up on Unacknowledged Validation Requests.

21.4.1. For each file transmitted, if D035A does not receive an AP9 acknowledgment transaction within 30 days of the AN9 preparation date, D035A will generate a follow up file. This file will consist of a reproduction of the original file of request transactions with the MOV control record document identified changed from AN9 to ANZ. Dates for follow-up as related to validation request preparation dates are as follows:

Table 21.3. Cycle Preparation Dates.

Cycle	Preparation Date	Follow-up Date
1	20 Jan	20 Feb
2	20 Apr	20 May
3	20 Jul	20 Aug
4	20 Oct	20 Nov

21.4.2. If the customer is unable to respond to the MOV request, the customer will notify HQ AFMC/LGSM. Upon receipt of notification, HQ AFMC/LGSM will input via the D035A MOV

screen an APF transaction. The transaction will include the DoDAAC in rp 30-35. The MOV request records will be deleted for the customer DoDAAC to preclude cancellation of backorders.

21.5. Responses to Materiel Obligation Validation Requests.

21.5.1. Upon receipt of an MOV request (AN_) transaction, the customer must respond to D035A with a reply to MOV request (AP_) transaction. This reply transaction must reach D035A before the reply due date shown on the request to preclude automatic cancellation of backorders.

21.5.1.1. Document identifiers AP1-3 indicate the action to be taken on individual MOV requests as follows:

21.5.1.1.1. Receipt of an AP1-3 reply will delete the MOV request record which precludes automatic cancellation.

21.5.1.1.2. The quantity field (rp 25-29) of the reply transaction will indicate the quantity still required. Any quantity above this amount in D035A will be cancelled using BR status. If total cancellation is desired, the quantity field will be zero filled and D035A will BR cancel the entire quantity.

21.5.1.1.3. If the backorder is in BV or BZ status and the AP_ transaction is attempting to cancel a portion or the entire quantity, D035A will internally generate an AC1 with BR status and create a 4A controlled exception. The 4A exception will contain the quantity to be canceled. This action will request the item manager to cancel the quantity on contract. Processing of this exception will be as specified in chapter 9 (which is under development).

21.6. Non-Receipt of Validation Replies.

21.6.1. If D035A does not receive an AP_ transaction by the reply due date, each backorder record (except SA program backorders with service code B, D, K, P, or T) with a matching MOV request record will be identified for cancellation. D035A will generate AC3 cancellation transaction with BS status code unless the backorder is coded with BV or BZ status.

21.6.2. D035A will treat cancellations for BZ or BV coded backorders as follows:

21.6.2.1. Amended Shipping Instructions (ASI) actions coded BV having quantities annotated for cancellation will create a 4A exception (identified by document identifier AC3 with action code BS). The 4A exception will contain the quantity to be cancelled in the quantity field. This action will request the item manager to cancel quantities on ASI because of non-response to an MOV request. Processing of this exception will be as specified in chapter 9 (which is under development).

21.6.2.2. D035A will generate an AV_, Notification of Customer Non-response to MOV Request, to the customer based on the M&S code of the backorder. The customer is required to conduct an item-by-item review and respond with an AC_ cancellation transaction if the materiel is not required. During this review the backorder will remain in BV or BZ status and will be included in future MOVs.

21.7. Reinstatement of Cancelled Requisitions.

21.7.1. Requisitioning activities in receipt of confirmed cancellation (status code BS) as a result of the MOV program may request reinstatement of the cancelled requisitions for a period not to exceed

60 days following the transaction date of the AE_/BS cancellation. When reinstatement is required, the requisitioner will submit an APR transaction for the quantity to be reinstated.

21.7.2. D035A will reinstate supply action of a requisition for which an APR transaction has been received if the requisition was cancelled with status code BS within the last 60 days. Reinstatement of a requisition (A0_, A3_, or A4_) will be for the quantity in the APR transaction, which may be equal to or less than the original cancelled quantity. If the requested reinstatement quantity is greater than the quantity that was BS-cancelled, then only the BS-cancelled quantity will be reinstated. The quantity exceeding the BS quantity will be rejected back to the customer via an AE_ document with status code DM. Anytime a requisition is reinstated, the suffix code will be automatically advanced; however, D035A cannot advance past suffix X. Any reinstatements for a suffix past X will be ignored by D035A.

21.7.3. The APR transaction will be prepared by the requisitioning activity using the AE_ document as a basis to ensure that the correct suffix code is included. The advice code from the original requisition must be perpetuated in the APR transaction or the advice code will be treated as blank.

21.7.4. D035A will automatically reject the APR transactions under the following conditions:

21.7.4.1. The APR reinstatement transaction was received over sixty days after generation of the AE_ status transaction with BS status. An AE_ status transaction with a DK status will be supplied to the customer.

21.7.4.2. The APR transaction has been received; however, there is no record of the original transaction being cancelled with a BS status. An AE_ status transaction with a DL status will be supplied to the customer

21.7.4.3. The APR transaction has been received but the quantity is larger than that which was cancelled with BS status. An AE_ status transaction with a DM status will be supplied to the customer with the non-reinstated quantity in rp 25-29.

21.7.4.4. The APR transaction has been received; however, D035A has no record of ever receiving the original transaction. D035A will ignore this APR transaction.

21.7.5. The D035A OPR has the capability to reverse a BS or BR cancellation via the D035A REVA screen up to 120 days after the cancellation action.

21.8. Report on Results of Validation of Materiel Obligations.

21.8.1. During the MOV cycle, D035A produces for each center two reports which provide statistics on the MOV program. Refer to Chapter 23 of this manual for samples of these reports.

21.8.1.1. For each AN_ validation request transmitted, the quantity and unit cost will be used to compute dollar value data which is compiled into a product titled, "MOV Report" identified by Product Control Number (PCN) D035A-1L3-Q3-GKG.

21.8.1.2. For each cancellation resulting from either a customer request (BR status) or from the automatic cancellation (BS status) process and reinstatement requests received and accomplished, the quantity and unit cost information are maintained for use in preparation of the product titled, "MOV Effectiveness Report", PCN D035A-1L3-D1-G23.

21.8.2. These reports are manually consolidated into the "Validation of Overage Materiel Obligations Report" by HQ AFMC/LGSM and forwarded to HQ USAF/ILGM as RCS: DD-A&T(Q)1064 at the end of each quarter. Refer to attachment 21-1 for a sample report.

ATTACHMENT 21A-1

REPORT OF VALIDATION OF MATERIEL OBLIGATIONS

(RCS: DD-A&T(Q)1064)

AS OF _____ (CYCLE X)

PREPARED BY: HQ AFMC/LGSM

Table 21A1.1. Validation Report.

	NUMBER	VALUE (Thousands)
1. Total overage materiel obligations referred for validation (includes those forwarded by AF bases to ALCs):		
TOTAL		
a. U.S. Forces	Number	Value
b. MAP Grant Aid	Number	Value
2. Total cancellations requested by the requisitioner.	Number	Value
3. Total canceled by the logistics system as a direct result of the above requests:		
a. U.S. Forces	Number	Value
b. MAP Grant Aid	Number	Value
4. Percentage of accomplishment (line 3 divided by line 2).	Percent	Percent
5. Materiel obligation validation requests to which the requi- sitioner did not respond (requisitioner failed to acknowledge receipt of requests; did not confirm that materiel obligations should be retained; and did not request suspension of auto- matic cancellation).	Number	Value
6. Total canceled by the logistics system due to non response:		
a. U.S. Forces	Number	Value
b. MAP Grant Aid	Number	Value
7. Percentage of accomplishment (line 6 divided by line 5).	Percent	Percent
8. Reinstatement requests received:		
a. Army	Number	Value
b. Navy	Number	Value

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c. Air Force	Number	Value
d. Marine Corps	Number	Value
e. Other DoD	Number	Value

9. Reinstatements accomplished:

a. Army	Number	Value
b. Navy	Number	Value
c. Air Force	Number	Value
d. Marine Corps	Number	Value
e. Other DoD	Number	Value